

WSSC RECOMMENDED: FORECAST FOR WATER & SEWER OPERATING FUNDS

FISCAL PROJECTIONS	FY04 APP'D	FY04 EST.	FY05 REQ.	FY05 RECOM'D	FY06 EST.	FY07 EST.	FY08 EST.	FY09 EST.	FY10 EST.
ASSUMPTIONS (\$-millions)									
New Water/Sewer Debt	\$121.5	\$121.5	\$111.5	\$111.5	\$137.5	\$151.8	\$104.1	\$82.7	\$61.3
Total Water/Sewer Operating Expenses	\$370.9	\$370.9	\$391.0	\$391.2	\$402.0	\$411.0	\$409.1	\$417.4	\$424.3
Debt Service	\$141.7	\$141.7	\$145.3	\$145.5	\$155.7	\$162.0	\$160.9	\$162.7	\$160.6
Total Water/Sewer Bill Increase	0.0%	0.0%	3.0%	3.0%	3.0%	0.0%	0.0%	1.7%	1.2%
REVENUES									
Water & Sewer Rate Revenue	317,024	309,433	320,014	320,014	331,590	343,581	345,615	347,649	355,542
Interest Income	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Account Maintenance Fee (Service Chg)	21,500	21,500	21,800	21,800	22,100	22,400	22,700	23,000	23,300
Miscellaneous	17,800	17,800	21,560	21,560	23,160	23,460	25,060	25,360	25,660
Total Revenues	359,824	352,233	366,874	366,874	380,350	392,941	396,875	399,509	408,002
SDC Debt Service Offset	3,102	3,102	3,002	3,002	2,905	2,809	2,710	2,611	2,512
Reconstruction Debt Service Offset	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Use of Prior Year Net Revenue	0	0	8,500	8,500	6,524	7,230	1,500	1,500	1,500
Less Rate Stabilization	0	0	(5,024)	(5,024)	(5,730)	0	0	0	0
Water/Sewer Bill Adjust.	0	0	0	0	0	0	0	0	0
TOTAL FUNDS AVAILABLE	370,926	363,335	381,352	381,352	392,049	410,980	409,085	411,620	420,014
EXPENDITURES									
Salaries and Wages	71,601	71,601	74,719	74,719	75,793	76,846	77,874	78,880	82,036
Heat, Light, and Power	12,016	12,016	14,542	14,542	14,945	14,318	14,445	14,550	14,631
Regional Sewage Disposal	33,990	33,990	35,010	35,010	36,060	37,142	38,256	39,404	40,586
Debt Service	141,739	141,739	145,277	145,491	155,680	162,040	160,945	162,718	160,640
Debt Reduction (Paygo)	0	0	7,000	7,000	5,024	5,730	0	0	0
All Other	111,580	111,580	112,904	112,904	117,154	121,547	126,106	130,835	135,741
Additional Operating Reserve Contribution	0	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Unspecified Reductions	0	0	0	0	(4,150)	(8,143)	(10,041)	(10,442)	(10,860)
TOTAL USE OF RESOURCES	370,926	370,926	390,952	391,166	402,006	410,980	409,085	417,445	424,274
REVENUE/EXPENDITURE GAP	0	(7,591)	(9,600)	(9,814)	(9,957)	0	0	(5,825)	(4,260)
Debt Service as a Percent of Budget	38.2%	38.2%	37.2%	37.2%	38.7%	39.4%	39.3%	39.0%	37.9%
Estimated Water Production (MGD)	167.0	163.0	167.0	167.0	167.5	168.0	168.5	169.0	169.5
Accumulated Net Revenue	51,282	43,585	25,485	15,671	(810)	(8,040)	(9,540)	(16,865)	(22,625)
5% Reserve (water and sewer revenue)	15,851	15,472	16,001	16,001	16,580	17,179	17,281	17,382	17,777

Assumptions:

1. Assumptions are those programmed by WSSC.
2. Unspecified reductions are those required to achieve the estimated rate increase in FY06-FY10.
3. Expenditure gaps in FY05-FY06, and FY09-FY10 are assumed to be closed if rate increases are as estimated.
4. Rate stabilization costs are those costs projected to meet the estimated rate increases.
5. CE recommendations are those specified under expenditures section.